PROPAEDEUTIC TO MODERN ECONOMICS

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PART III[1]

THE DIVISIONS OF CURRENT ECONOMICS

D. THE DIVISIONS AND SUBDIVISIONS OF ECONOMICS, OR BRANCHES OF ECONOMICS

Economics	I. Descriptive	Economic history and genetic economics Economic statistics and accounting History of economic literature, including bibliography[2]
	II. Pure	Economic theory, principles, and problems of general economics
	III. Applied	Administration Finance Social economy and social politics

The foregoing division of economics into descriptive, pure, and applied is liable to some misinterpretations. Too great stress, for example, on the distinction between descriptive and pure economics is likely to lead to the inference that science lies at the foundation of pure economics, but is not required in descriptive or applied economics. Pure economics is related to applied economics as physics is related to mechanics. The term pure physics is employed only in contradistinction from mechanics, which is after all simply applied physics. Even the pure science of mathematics owes its great achievements and its great advancement to the demand which the modern world has made upon applied mathematics. So in economics, I sometimes think that in a very important sense there is no economic theory except applied economic theory. It must be remembered that the divisions of economics here given rest on a merely empirical basis; they are in accordance with a plan practicable in a university curriculum.

[1] Discussion of Parts I and II appeared in this *Journal* for July, 1918.

[2] This is the subject-matter of the history of economics as it has been ordinarily understood. It would sometimes be better described as the biography of economists.

1. *Division I: Descriptive economics.—*

a) Economic History and Genetic Economics: Economic history may be variously defined. For sufficiently advanced students it may be defined as primarily a history of economics from primitive economies through intervening economies to modern and contemporary economies. The study of ancient economics becomes significant and fascinating for the student of modern or contemporary economics the moment he approaches it in the spirit of a genetic science. Economic history then, for him, becomes genetic economics. Primitive and ancient or early economies are as much a study of concepts of economic organization, effort, and achievement as modern and contemporary economics are, but these concepts are at first very simple and only become complex and more and more complex with the advancing culture stages or the advancing stages of civilization. We might in the early ages and periods of the world speak only of economy or economies, while we reserve the word economics for later periods when our thinking becomes more abstract and less concrete. This we must do if we want simply to reproduce the thinking of early ages and the ancient period of history; but if we want to do more than this and subject past history to the contemporary stage of thought-processes, we may employ our contemporary abstract term economics when by the aid of the genetic or evolutionary method of approach to economic science we bring successive economies into a continuous unity. This I attempt to do in a manuscript volume entitled *Economic History: Foundations of Economics*, and its companion volume, *Economic History: Rise of Modern Economics.*

The first three chapters of the volume *Economic History: Foundations of Economics* are accordingly devoted to a study of economic evolution from primitive economic conditions to the higher economic aspects of ancient civilization, especially of the Greeks. The fourth chapter describes the Roman transition from city economy to imperial economy. The fifth chapter is occupied with the Roman, better described Graeco-Roman, imperial economy from Augustus to Odoacer, when the economic and political philosophy of the ancient world were definitely summarized under the influence of the Stoics. The sixth chapter analyzes the survival of

Roman economy in municipalities and provinces of the West, in the Eastern Empire, in Roman law, in the papacy, and in the Romanized and Romanizing Germanic kingdoms temporarily united under Charlemagne, but soon thereafter followed by the rise of mediaeval feudalism. The seventh chapter aims to give an account of the beginnings of economic reconstruction of Western Europe as signalized by the free-city movement after the tenth century, the economic conflict between empire and papacy, the revival of learning, art, industry, and government in general, followed by a more detailed analysis of the early Saxon Norman-English economy. The eighth chapter is given to the mediaeval city economy and European trade routes, to mediaeval economic theory and polity marked by the rising French and English new national economy. This last chapter, the eighth, gives accordingly a summary view of mediaeval conditions which prepare for transition to modern economic conditions and institutions.

This volume as a whole accordingly undertakes a survey of general economic history in the sense that in his attempt to discover the natural steps and stages of economic evolution the student of economic history cannot limit himself to ethnic and national boundaries. When, however, the highest culture achievements of the ancient world are reached, he finds himself so obviously in the ancient classical and Roman imperial economies that his attention may then converge upon Indo-European stocks, with only incidental notice of the oriental and Semitic economic achievement. But after following Rome and German Europe to the tenth century, the writer who wishes to confine himself to a single-volume treatise on the development of the ancient economy or ancient economics alone must again limit himself on account of the accumulating mass of material. In the present volume I began thus to limit myself when I selected for special treatment early Saxon economy, sec. 38, and the Norman-English economy, secs. 43–45. England has been taken as central in this treatise because this volume is addressed to English-speaking students. France or Germany or Italy or some other country might be selected with equal propriety as the standing-ground from which to view the general economic advancement to the dawning modern world; but such a survey

inclusive of all nations would be manifestly beyond the scope of one volume. Modern economic history, inaugurated by the economic revolutions beginning about the middle of the fourteenth century, can be but inadequately understood without some reflections on the origins and foundations of economics, and without some knowledge of that economic development and cultural history described in these essays.

In the titles of these volumes I employ the more abstract term economics rather than the more concrete term economies, although it is desirable to keep persistently in mind the fact that in the primitive and ancient, or in the earlier economic, development economic theory or the principles of economic science had only reached the most rudimentary expression in objective economies. Even in the modern period we should proceed from the study of objective economies to the study of the abstract statement of economic principles. In our educational scheme we do in fact proceed in this way because in our elementary education we are wont to get our introductory preparation for the study of elementary economics by means of some previous study of history and civics; in higher education we seldom undertake to enter upon the formal study of elementary economics or introductory economics before the Sophomore year of our better colleges has been reached or passed. There is much to say in favor of insisting that the study of economics requires such maturity and discipline of mind that it should be offered only as a university subject or to the upperclassmen of a college. This adherence to objective reality is immeasurably important in order to hold ourselves to the contemplation of a world of reality instead of giving reign to a lawless fancy and confused thinking such as may result from the lack of thoroughness and keen appreciation of reality in our occidental world; whereas in the oriental world the boasted oriental mind of the Hindoo of India, for example, quite generally substitutes a claim of hoary antiquity, and subjective fancies and images run riot which they call thinking, for the clear and critical thought-processes such as the Greeks in the time of Socrates, Plato, and Aristotle followed.

In secs. 17–18 of *Foundations of Economics* I show how early occidental and oriental culture met in the Homeric Greeks, who carried civilization forward to the stage of criticism reached in the fifth century B.C., when the formal beginnings of economic science were made (sec. 20). How the oriental and the occidental mind further coalesced in ways and means for promoting and maintaining life may be traced in the progressive Roman republican and the Graeco-Roman imperial economies accompanied by constant and continuous infusions of oriental with occidental elements. The greatest fusing force was Christianity, which welded the direct and powerful contributions of the Jew, the Greek, and the Latin. How the teachings of Jesus were instinct with the realities of the economic system, and many of the accepted usages of the Caesars may be read, for example, by a simple and natural interpretation of the parable of the talents: "Thou oughtest therefore to have put my money to the bankers, and at my coming I should have received back my own with interest."[1]

A simple recital of the foregoing facts of history is ample to show that an ancient economics developed and that it embodied all the elementary principles upon which modern economics has built its superstructure. As the elementary mathematics of the ancient world may be contrasted with the more highly developed mathematics of the modern world as ancient mathematics and modern mathematics respectively, so the elementary economics of the ancient world may be contrasted with the more highly developed economics of the modern world as ancient economics and modern economics.

[1] Matt. 25:27 (Revised Version of 1886, Oxford University Press). A talent in the time of Tiberius Caesar was worth $1,170 in our money as usually reckoned, and a hundred pence was worth about $18, making a silver penny of the New Testament equivalent to about 18 cents in our American money. The parable of the talents is a lesson or suggestion on the possible handling of a large sum of money for investment for productive purposes. This clear recognition of one of the fundamental institutions of economic theory and practice was affirmed to the codes of Theodosius and Justinian, Christian emperors, and although later obscured by the teaching of the mediaeval church it again reappeared with the learning of the jurists and the canonists. After the canonist economics developed, the ecclesiastical opposition to interest virtually ceased and gradually disappeared altogether.

The rise of modern economics has been sufficiently sketched through the foregoing paragraphs of this propaedeutic.

b) Statistics and Accounting: The method of statistics is an application of the principles of the inductive logic to the summation and interpretation of the enumeration of data in any given field or province of phenomena. The steps which must be taken by the careful statistician are observation, enumeration, tabulation or correlation, and inference or the critical estimate of results. Statistics of course is chiefly an art which must rest on a scientific basis.

Statistics as a science began with the writers on political arithmetic in the eighteenth century, and with the cameralists, specialists in the examination of financial facts, working for and under the direction of the strong central states, such as Prussia. Among nineteenth-century scientific statisticians, such writers and investigators as Knies, von Mayer, and Meitzen, of Germany; Robert Giffen and Bowley, of Great Britain; and Carroll Wright, of the United States, may be named.

Some training in statistics is an essential adjunct to the equipment of a practical economist. The science of statistics furnishes, e.g., for the science of administration, the very essential facts which concern some specific subject or province of administration. It gives a knowledge of aggregates and a foundation for comparisons, enabling the public office, and private citizen as well, to find the merit and faults in any specific administrative system and to stengthen the weak places. Statisticians are an indispensable and essential part of the corps of officials required for the successful and efficient administration of the government of any state. Trained statisticians are equally essential for efficiency in large private economies.

The science of accounting may be regarded as a constituent part of statistics. It is at present denied recognition as a science by those who would deny this position to logic and mathematics, which may be correct; they certainly are ranked by many careful thinkers merely as methods of conducting thought-processes accurately. But to those who refuse accounting rank as a science on account of the simplicity of elementary thought-processes involved, a rejoinder may be made by urging that the objector

acquaint himself with the degree of mental training and natural endowment required for admission to the rank of professional or approved accountants.

c) History of Economic Literature: This will include encyclopedic economic literature, e.g., Palgrave's *Dictionary of Political Economy*, certain treatises, and the bibliography of economics.

2. *Division II: Pure economics.*—

a) Principles and Problems of General Economics: To this division of economics I would urge in this brief sketch careful consideration, with a twofold object: First, I would urge a spirit of greater independence, self-reliance, and individual vigor in the study of subjects, topics, ideas, concepts, and laws to be summarized as principles of economics rather than an object, idol-like study of books. In order to do this a real grasp of, or insight into, the meaning of theory must somehow be secured.[1]

Some profess contempt for theory. But what is theory? The word theory is from a Greek word meaning a beholding, spectacle, speculation, spectator, or to see. Theory and theater are from the same root. To ask a man what is his theory of a certain subject or object is after all simply to ask him how he looks at it. The man who disclaims a theory of a subject or object proclaims or affirms either his modesty or his ignorance. To be modest in such a connection is often evidence of great intelligence.

[1] The following suggestions may be helpful to students and, if heeded, may aid them in developing habits of thoughtful, independent topical study, not only in general economics or introductory economics, but also in the various branches or subdivisions of descriptive and applied economics.

On the use of books.—Many more books must be known than can be read. We must aim to understand subjects rather than books. Books must not become our masters. Bibliography is important in every thorough investigation of a subject, but to reading the student must bring observation and reflection.

On note-taking.—Use the detached leaf or card system of taking notes. If a sheet of ordinary note paper is used it should not be too large. Aim to put one subject only on a given leaf. It may be well at times to turn over and write on both sides if required to complete a reference. Keep your notes, that is, your notebooks, so that you can at any time insert a new leaf or leaves (card or cards) if in your reading, or in the lectures, or in your observation additional material on a given topic becomes available.

On observation.—Do not fail to reckon with the importance of existing facts and experiences in the society of which you form a part.

In the development of a body of economic theory, for your own attainment of the mastery of this fundamental branch of economic knowledge or science, I would urge upon your attention, and even urge your adoption of, a maxim from Cicero *Tusculan Dissertations* ii. 5: *Refellere sine pertinacia et refelli sine iracundia parati sumus*, "We are prepared to refute without obstinacy and to be refuted without temper."

"I would not give the snap of my finger to have biology taught in all the schools of the land, if the subject were to be taught through books only," said Thomas Huxley. This remark has significance for our subject. Human society is constantly before us. We are its members. Objective study of it is possible. Nevertheless we cannot dispense with the use of books; we cannot bring economic experiment within the compass of a glass jar, as the chemist can bring his experiment. But we must not fail to observe and reckon constantly with the importance of existing facts and experience.

The scientific spirit is the spirit of comparison. This must be ever present, seeking out resemblances and differences. In this way tendencies of human action may be observed and classified and laws of social action announced. Abstract analysis must be illuminated by history and statistics, yet knowledge without logic, information without reflection and action, remain useless. The scientific method, the method of evolution, the historical method, are phrases which by some are used interchangeably. They have this in common that they all tend to foster the search for truth. Some knowledge of the history of economics is conditioning preparation for advanced study of economics and for advancing economic theory. The opportunity and occasion for advancing economic theory, i.e., principles, exists in finding the solution of economic problems, problems in efficiency, economic organization, administration, and finance.

An advanced course in economic theory that is too far removed from the problems of history and life is likely to be or become a mere study of tradition, encyclopedia. The student who is prepared to take up an advanced course in economic theory enters a new position of advantage in beholding the subject-matter which

he has beheld before. It is not so much like traveling into a new country, or taking a journey into a far-distant land, as it is going over the same journey and revisiting the same places. Of the over-ambitious author in science we say: Let him first read a book before he undertakes to write one.

Economic history, like political history or general history, may constitute an independent and integral increment in a liberal-arts training. With respect to other courses in economics it may be regarded as a suitable preparation for, or a valuable supplement to, the usual course in the principles of economics. My own preference for such a course in economic history is that it should be given as a supplement to the usual introductory course in economics.

Secondly, I would urge an order of topical investigation for the study of economic theory, not necessarily this or that specific order, but some definite order of investigation in accordance with which we may advance from the simple, definite, and primary principles of economic theory to the more complex and derived principles and problems.[1]

In urging the value of economics as a college and university study it must be remembered that economics is not an exact science; that it must be placed among the inexact or probable sciences. Personality and mathematics, it may be urged, are not harmonious. Though the will of man is in the main controlled by motives according to an order—that is, in this sense according to laws—yet there is in the very nature of will an arbitrary element which may from time to time assert itself. President Andrews says:

> It is perverse to limit science to exact science. Equally as to suppose the best education attainable by drill in the exact sciences alone. That is important, but often carried relatively too far. Not only do action, conduct, life, all lie in the domain of inexact science, making training in this indispensable to every educated person, but even looking from the point of view of an exclusively liberal education, it is a higher attainment, a finer feat of mind, to be expert in the inexact than in the exact sciences.[2]

[1] Cf. sec. 33 of *Foundations of Economics*.

[2] *Institutes of Economics*, p. 16, noted. I quote further: "In fitness for place in an educational curriculum, economics perhaps surpasses all other studies through the remarkable combination which it involves of mental discipline with practical utility. Each of its propositions requires careful thought, while certain of its reasonings

The study of economics affords an unusual opportunity for discipline in the art of inductive logic. It fixes attention on those problems which meet us in everyday life, problems which must be met, not by any rule of thumb, but by practical judgment. In all lines of activity "the principle of choice is always the same, namely, the relative worth of the two courses of action. The analysis of this process of choice has been worked out by the economists more fully than by any other body of scientists."[1]

The study of economics, like the stern contact with the problems of the actual world, does foster the calculating habit of mind. But the calculating habit of mind does not presumptively forbid or preclude ethical conduct. It does tend to take up often a re-examination of merely traditional views and opinions. For its disregard of ethical considerations Carlyle and Ruskin heaped their scorn upon the old classical political economy of their day. But the old classical economy was not by any means wholly unethical or non-ethical in the effects of its teachings. It tended to develop a large faith in the utility of prudent and farsighted conduct; this position taken by itself is not necessarily construed as positively ethical. The new economics, however, directs attention more and more to the general welfare, and undertakes to show that progressive and continuous individual welfare is conditioned upon the recognition and the guarding of the interest of the social whole, just as in biology in the ultimate analysis the life of the individual must be subordinated to the survival of the species. The words ethic and ethnic are from the same root, meaning custom. The desire for a knowledge of the phenomena of the industrial world

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challenge the highest powers of mind. On the other hand, though it is a science, not an art, its truths touch every human life. Among a great deal else of obvious importance which acquaintance with economics incidentally makes clear, may be mentioned: (1) the fallacy of many prevalent notions about wealth; (2) the failure and even positive cruelty of much intended charity; (3) the sure and widespread effects of waste; (4) the inevitable interdependence of individuals, classes, and nations; and (5) striking evidence of intelligence and beneficent law as reigning in the universe. A time comes in the history of every cultivated people when social comfort, to say nothing of social progress, depends absolutely upon knowledge of economic principles. Europe is at this point already; we shall soon be" (p. 28).

[1] See Sidney Sherwood, "The Philosophic Basis of Economics," *Annals of the American Academy of Political and Social Science*, X, No. 2.

is universal. Campaign literature, the newspapers, and other popular attempts to give an account of things industrial, and what measures and policies will promote and guard the interest of society as a social whole, the only ethically sound economic ends, perchance are, or may possibly be, as far removed from economic science as astrology from astronomy. The school should always endeavor to furnish the genuine article. But the schools must be re-enforced by practical tests, experimentation, and the actual experiences of life in a real world, or instructors and professors alike will be mere Chinese mandarins for the guidance of man.

3. *Division III: Applied economics.*—This division of economics includes a group of economic subsciences which arise from an application of principles of economic theory, or pure economics, to administration, finance, social economy, and social politics. These semi-independent sciences lie in the borderland between pure economics and pure politics. Applied economics, considered as economic policies, and socio-politico-economic principles of social legislation, as applied in public administration and public finance, have been in existence since the foundation of states. But they were not formally developed until the rise of the modern mercantilist and cameralist schools of economics. Anticipations of these subdivisions of applied economics had, however, come even much earlier, as for example, in Xenophon's *Economist*, or management of an estate, and in Xenophon's pamphlet on *Athenian Revenues*.

a) Administration: In Germany and Austria, under the name of *Verwaltung*, administration appears as a division, or subdivision, of economics in all the great handbooks (*Lese-Bücher für Studierenden*); there, long before the nineteenth century, the science of administration was studied assiduously by the cameralists, who were students both of governments and of economic life. By them the latter was undifferentiated from politics. The cameralists deserve to be better understood.[1] Contemporary economists should give, and are giving, both the cameralists and the historical economists a revaluation.

[1] The recent essay on *The Cameralists* by Albion W. Small makes this a more easily discharged obligation.

Since the later decades of the nineteenth century the activity of a new group of writers of all advanced states has given a new significance and a new impulse to the science of administration. This new class of writers and students includes both university and non-university men who are profoundly interested in broadening the scope of economic inquiry and economic investigation by bringing the entire field of commerce and industry under the sway of a scientifically proved and tested body of economic principles. With this movement and its scientific grounding the science of administration is now in a new era of cultivation and development by the economists. Harvard University recognized the worthiness and significance of this new movement in economics by organizing a graduate school of business administration in 1906.[1] In case anyone should undertake to deny that this new movement sustains any relation to the older science of administration (*Verwaltung*), he will have to take the untenable position that private business and public business rest upon different premises and on a different set of underlying principles. This unfortunately too often has been the assumption of the so-called practical politicians from Aristophanes[2] to our day.

The practical and substantial identity in the scientific principles of public and private business administration may be assumed.

[1] The Wharton School of the University of Pennsylvania was founded in 1881. The pioneer college in America which organized on similar lines was Dartmouth in its foundation of the Amos Tuck School of Administration and Finance. Specialization in the Tuck School could from the first begin in the Senior year of Dartmouth College, but preparation for socialization could begin earlier. This preparation has worked downward so that now a considerable degree of preparation for specialization in many American universities can begin very much downward; but carrying down this preparation and specialization too far will simply result in the establishment of specialized secondary schools of commerce and industry by the side of the *Gymnasium* or high school. Even if such a course is denominated a university course, it does not follow that the name is given correctly; it may be simply a secondary- or high-school course, although offered in a university. In distinguishing between university or higher education and secondary education, the *Gymnasium* or high school, it is well to remember that the proper dividing line by European standards falls between the Sophomore and Junior year of a fully standard American liberal-arts college. Too much cannot be said in favor of yielding not more than the Senior year from the liberal-arts course for the beginning of professional and higher techinal training.

[2] Cf. my *Economic History: Foundations of Economics*, sec. 20, a citation from Aristophanes.

In a recent paper submitted to the American Economic Association[1] for discussion of the principles of administration I said:

I believe, however, that we must regard administration as a branch of economics. We should, moreover, make the twofold distinction between administration as public and private, just as we distinguish between public finance and private finance. The great principles underlying public and private finance on the one hand and public and private administration on the other hand are the same in each case. When public officers get too far away from those common principles underlying both public and private finance and administration, signs of corruption or perversion of the functions of public office appear; political incompetence and inefficiency displace or replace economic competence and efficiency.

Administration is undoubtedly a branch of economic science and a part of the historical development of economics. For the first broad recognition of this fact we must turn to the cameralists. In the writings of Justi and Sonnenfels, for example, we may find principles of administration elaborated, as well as principles of finance. Wherever we have a high degree of economic organization in public or private economy, there we have a theory and an art of administration. A scientific study of economic history will demonstrate this proposition.

Administration must be related to economics both in its generalized and specialized aspects. In its general aspects administration must be related to economics both through a course in general economic history and through the course which we usually describe as the course in principles. Through these two courses the student should acquire that knowledge of—that is, a general introduction to—the general principles of administration. . . . . In its specialized aspects administration may be given as a separate course. In this aspect the study of administration may be offered in the Junior or Senior year, after the courses above noted have been set up as prerequisites. These prerequisite courses should be supplemented as far as possible by general courses in history, mathematics, and science, and the incidental knowledge of biography and history which the various literary courses of the high school and earlier years of the college offer. When the student enters upon the formal study of administration, he should enter upon it as a specialized branch of economic science. . . . . I would venture to urge that in seeking the bases of efficiency we must add to the physical factors which give us the mechanics of administration a study of the mental and moral factors which will give us the dynamics of administration. And in this search for the bases of efficiency I would insist on the necessity of two side studies, two corrective disciplines—methods we should perhaps call them rather than sciences. (Logical methods we must regard as themselves parts of every concrete science.) These two methods or disciplines which cannot be ignored or dispensed with in any thoroughgoing system of administration are: (1) accounting or accountancy, (2) statistics.

[1] *American Economic Review*, Supplement, March, 1915.

The latter of these items in the form of managerial statistics must lie at the basis of any system of cost accounting which must invariably be made the basis of any workable system of efficient administration.

b) Finance, or Public Finance: So absolutely imperative were the demands of European princes in the dawning modern period to be financed on a basis which would comport with the growing respect for the decency of an honorable business relation with their subjects that as early as the fifteenth century the formal beginnings were made of a scientific public finance in its three branches or parts, namely, public expenditure (in distinction from the private expenditure of princes), public loans, and taxation. During the next three centuries this subdivision of applied economics received an altogether estimable stage of development at the hands of mercantilist and cameralist economics.[1]

c) Social Economy and Social Politics: The economic policy of every state must be worked out concretely in some form and in some measure with respect to both of these topics. An absolute *laissez faire* on these subjects is impossible. This was seen by Adam Smith, and the radical advocates of economic freedom in the Smithian sense have also accepted certain limitations set up by Smith himself to the policy of non-interference on the part of the state. Nevertheless the value of the maxim of *laissez faire* in the development of economic theory has been invaluable because it has held economic theory to the task of finding the reason, or stating a reason, for every state function that was, or was to be, exercised.

The present tendency in the use of the terms social economy, social legislation, and social politics is in the direction of bringing the term social economy into service as the name of a specialized discipline or branch of sociology which deals with the problems of charities and correction, problems which are somewhat removed from, or somewhat indirectly related to, the problems of the immediate workaday business world. But the latter is now urged to keep in hand, or immediately and forthwith take in hand, through

[1] For a brief notice of the literature of public finance during the formative period and after see Bullock, *Selected Readings in Public Finance*, chap. i.

directive and positive control, problems of social insurance, the question of the minimum wage, and the state's function in the control of monopoly and the maintenance of an accepted and acceptable plane of economic competition. These latter problems have been, since about 1870, very widely and generally recognized as coming directly and completely within a discipline or branch of applied economics to which the name or term social politics (*Socialpolitik*) since then has been given with growing unanimity. The term social legislation may continue to be used as referring equally to either of the two fields thus differentiated.

The problem of social economy and of social politics is, How shall the state, or how may the state, establish, sustain, or raise the plane of competitive action? That problem is a problem of public economy; it is a problem in applied economics and applied politics at the same time. The answer of a scientific applied economics can be co-ordinated with a scientific applied sociology. "A large part of the failures and miscarriages chargeable to the so-called 'practical' sociologists is attributable to a faulty equipment of knowledge of pure sociology, or to a neglect to use the knowledge possessed."[1] However useful the distinction between economics and politics, or between economics and sociology, may be for purposes of a professional and scholastic division of labor, these several sciences cannot be so sharply marked off from one another that they can be placed in wholly separate and water-tight compartments. This, however, is a task which many have audaciously undertaken.

[1] Fairchild, *op. cit.*, p. 5.